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ABSTRACT

This paper discusses five court cases decided in the seventies that explain the viewpoints held by the courts on pregnant school employees. According to the paper, the cases reveal the judicial background that prompted P.L. 95-555, passed by Congress in 1978 and identified as an amendment to the Civil Rights Act of 1964, Title VII. The cases, not all of which include school personnel, include Green, Buckley, LaFleur, Geduldig, and General Electric. The paper concludes that, with the inclusion of pregnancy in the fringe benefit categories of sick leave and disability, some new personnel costs will be generated. It recommends that school boards consider the relationship between new costs and productivity as budgets are built and total fringe benefit packages are negotiated.
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PREGNANCY CASES AND LEGISLATION AFFECTING
EQUALITY AND COSTS IN SCHOOLS

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Equality

Masculinity prevailed in social life, in the work world, and in politics. American society has been male dominated. The meanings of that short sentence are several, and a few examples can provide an explicit treatment of the meanings. Men have had much more locational flexibility than have women. That is, when a man wanted to go to another place, he went, without any risk of a disapproving society. Men were decision makers and in family households, the "man of the house" decided where and when to spend money, and probably, how much money to spend. Not entirely irrelevant, it is fair to note that some observers have commented that conventional marriage is an institution which cannot function or endure when decisional equality exists, for with two equal partners no majority can prevail at times of disagreement, and disagreements become locked in. Men have been given preference over women in job selection upon the basis that the welfare of society was better served when the "head of the household"--the man--got the job. That may be a truism, concidentally, but it does not stand the test of equal opportunity with sex an allowed factor for consideration. In the past there have been powerful American women, but they have been relatively few in number, so that, looking backward, one sees a "man's world."

Upon reflection, it is clear that sex identification has played a major role in American culture, a pre-determination of what citizens could do or could not do. These individual roles were based upon their biological identification as being of one, or the other, sex. The historical heritage includes a record of protection being afforded to females as the child bearers, and especially,

providing protection and relief from exertion during pregnancy. In a post-industrial society with an extensive health care industry, and with sociology bearing heavily upon the way the culture functions, pregnancy has ceased to loom as such a large health risk.

Medical technology has reduced risks of infant mortality, and hand-in-hand with politicized women's organizations, has "de-mystified" the condition of pregnancy. The so-called Victorian morality, in which pregnancy was an unmentionable condition, has faded. Many school administrators know of cases in which a pregnant teacher delivered a child on a three day holiday weekend, and did not miss a day of work. In some cases, it is possible for a healthy female teacher who is under the care of a competent physician to work right up to delivery time, and to return immediately thereafter. Questions may arise about the level of quality in the teaching tasks carried on under such circumstances, but unless the performance falls below some discernible minimum quality level, and is determined to be unacceptable because it is so low as to jeopardize the learning climate of the classroom or the organizational climate of the school, that teacher may stay, and instruct. If pregnancy produces an instructional malfunction which has been discerned through systematic evaluation, if performance is intolerably low, or if a pregnant teacher cannot pull her share of the load and is demoralizing other faculty who must pick up that slack, mandated leave would seem appropriate.

Equality itself is a slippery, ethereal term. It is an evolving term. It is elusive because Americans live in a capitalistic system which delivers variable rewards for variable achievements. If rewards are variable upon levels of achievement, and if there are differences among people in drive, ability and ambition, how can there be equality? Does the term mean equality of opportunity? Does it mean equality before the law and also in the socio-economic life of the nation? For this discussion of equality among employees in a school

district, it means that persons may not be discriminated against on the basis of sex, and that among those female employees who become pregnant, there cannot occur denial of the opportunity to perform assigned tasks only upon the condition of pregnancy. The domestic revolution for equality, given such impetus by the Brown (1954) decision, has since encompassed many social concerns beyond race, and may yet include many beyond sex.

Disputes and Cases About Pregnancy

The disputes which have surrounded pregnancy have been several, and some of them are cited below.

1. At what time may a district demand that a teacher go on maternity leave?
2. What restrictions may a district place upon return from a maternity leave?
3. What may a district do in maternity leave policies which have conservation of funds as the rationale?
4. What may a district do in maternity leave policies which have the protection of instructional integrity as the rationale?
5. At what level must a district continue to pay teachers who are on maternity leave?

Not all, but several of those disputes have been heard in the federal courts. To provide an impression of the viewpoints held by courts on pregnant school employees during the seventies, five cases have been selected, and are presented chronologically. They reveal the judicial background from which came P. L. 95-555, passed by the United States Congress on October 31, 1978, and identified as an amendment to the Civil Rights Act of 1964, Title VII. The cases, not all of which included school personnel, are presented separately. They are Green, Buckley, LaFleur, Geduldig and General Electric.

Priscilla Green¹ was an untenured teacher working in a district which had a policy mandating that maternity leave must begin "not less four months prior to

¹Green v. Waterford (CN) Board of Education, 473 F. 2d 629 (1973).

extended confinement or at such earlier time as a replacement becomes available." The board demanded that she take leave on 1-17-71; however, she wanted the leave to commence on 1-31-71, or earlier only if so ordered by her gynecologist. Whenever the leave commenced, the district would have to secure a substitute teacher.

The question was, "Did board policy deny equal protection of the laws to pregnant teachers?" The Second Circuit Court said yes, ruling for Green. It declared that the time picked for unpaid leave, i.e., four months prior to expected delivery, was arbitrary. Agreeing with the board's contention that continuity of instruction was an important concern, the court noted that continuity was not dependent upon a particular start date for a substitute teacher. The board had also argued that uniform maternity leaves reduced the workload for administrators, an argument which the court acknowledged might be real, but which was insufficient.

Betty Buckley² was a black female, who in her first year of teaching became pregnant. The school district had a policy terminating (discharging) teachers at the sixth month of pregnancy, and Ms. Buckley was terminated. (Although Ms. Buckley also alleged racial discrimination, that is not part of this consideration).

The Tenth Circuit Court addressed the question, "Did board policy violate any constitutionally protected rights?" Ruling for Buckley, the answer was yes because while there existed no constitutional right to the job as a teacher, there did exist the right to be free of unconstitutional restrictions placed upon that employment. In this case, the board presented no compelling reasons for the arbitrary rule of termination. The court also reasoned that marriage and procreation are essential to the extension of humanity and should not be the objects of punishing regulations levied upon women; i.e., women who became pregnant.

²Buckley v. Coyle (OK) Public Schools, 476 F. 2d 92 (1973).

LaFleur³ and her colleagues were married teachers who did not wish to take unpaid maternity leave during the time stipulated by board policy. The policy stated that pregnant teachers had to take leave commencing five months before the "expected date of the normal birth of the child." The teachers took leave in March but under duress, for they had wanted to teach the remainder of the semester. Policy also fixed the date of return as being no earlier than the beginning of the semester following the child's age of three months. Practically, the policy excluded the possibility of a teacher delivering a child at any time during the summer and not being forced to miss some work. The rationale for the policy was stated as being twofold: (1) continuity of instruction, and (2) protection of the health of the parent and the child.

The United States Supreme Court addressed the question, "Did the policy violate the Due Process Clause of the Fourteenth Amendment and/or civil barriers to the deprivation of rights?" Ruling for LaFleur, the Court answered that arbitrary termination dates had no "rational relationship to the valid state interest of preserving continuity of education." Medical evidence, not rigidly predetermined dates, was identified as the appropriate informational source for decision making in matters of personal health; at the same time, the Court noted that pregnancy put upon the employee the responsibility for substantial advance notice to the administration. With ample time for planning, personal health and classroom continuity could both be accommodated, the Court declared.

These three cases provide good illustrations of boards mandating disabilities over the objections of the concerned females, and through such cases the questions of the time for pregnancy leave were settled. Boards are entitled to substantial advance notice of an impending pregnancy leave, and that lead time must be sufficient to protect continuity of instruction. On the other

³Cleveland Board of Education v. LaFleur, 414 U.S. 632 (1974).

hand, boards may not demand arbitrary leave taking, unrelated to the actual health and vigor of the pregnant teacher. Leaves must be individualized according to the specifications of the physician who has the responsibility for the health of the teacher. It is the responsibility of the administration to articulate quality and continuity of instruction with the Constitutionally protected rights of the teacher and the teacher's health.

All questions centering upon pregnancy and employment were not settled by those cases. Two other cases, *Geduldig* and *General Electric*, heard by the United States Supreme Court, are pertinent to schools.

In the *Aiello*⁴ case, the problem under consideration was pregnancy leave without pay as a form of discrimination by sex. The State of California established, under then Governor Earl Warren, a fund which was to function on an actuarially sound basis. The purpose of this state managed fund was to pay for disabilities from working by an injury or illness which was not covered by workmen's compensation. The Unemployment Compensation Disability Fund was maintained for private sector employees and developed by a 1 per cent annual contribution from their salary, not to exceed \$85 per year. The challengers were four females who suffered unemployment disabilities from pregnancy. Within the group, only one had a normal pregnancy. Pregnancy, drug addiction and sexual psychopathy were among several excluded disabilities. The cost of including pregnancy as a disability was calculated to require worker contributions of 1.364 per cent, and a maximum of \$119 (at 1972 values).

The question which the Supreme Court agreed to address was, "Did the State or its agency discriminate on the basis of sex?" Answering against *Aiello*, the Court pointed out that the claims of the three abnormal pregnancies had been paid, upon determination by a lower court that the disabilities were attributable to other, covered categories. To exclude some specific disabilities from a

⁴ *Geduldig v. Aiello*, 417 U.S. 484 (1974).

larger group of covered disabilities was not a denial of the Due Process Clause of the Fourteenth Amendment. The Equal Protection Clause did "not require that a State must choose between attacking every aspect of a problem or not attacking the problem at all." The point was that discrimination was not an inevitable consequence of less than comprehensive coverage.

In challenging an employer's disability plan as violative of Title VII of the Civil Rights Act of 1964, Gilbert⁵ and other defendants acknowledged the truism of the contention that the employer was not legally obligated to establish any fringe benefits. The G. E. Company paid for a disability plan covering all employees for non-occupational sickness and accidents. Benefits were paid at the rate of 60 per cent of regular pay. The history of disability payments, measured either by duration of time or dollars of benefits, heavily favored female over male employees. Pregnancy, along with some other disabilities, was not an allowable claim. Although all pregnancies occur in females, not all females become pregnant, so the group was not seen by the Court as an "even" class.

To the question, did G. E. engage in invidious discrimination against one sex or the other, the answer was "No." The Court found that pregnancy was not the only disability excluded from coverage. The history of the plan showed that the selection of risks covered did not, in fact, discriminate against females. To have held otherwise would have emphasized the fact that an employer with no disability plan for anyone would be in a more defensible position upon accusation of violation of Title VII. The decision also rested, in part, upon the notion that pregnancy is not a disease and is a voluntary condition; and, upon the legislative history of Title VII which included testimony from Senator Humphrey and others, who unanimously agreed that differentiated treatment to females included in industrial disability benefit plans would, in all probability, continue.

⁵General Electric v. Gilbert, 428 U.S. 125 (1976).

These two cases addressed narrower concerns than the three first presented. Here, the Court spoke to questions in which pregnancy was considered as a voluntary, not an involuntary, condition. The Court recognized the freedom of an employer to develop disability benefit plans which were less than utterly comprehensive--so long as exclusions did not put a demonstrable loss upon one sex or another. The Court also considered increases in cost as one factor which could bear upon decisions about extension of benefits--and consequently higher costs.

Statutory Regulation

From these five cases and others originating in schools (e.g., *Romeo Community Schools v. HEW*, 1976, in which the pregnant employee could not recover alleged lost salary under Title IX of the Education Amendments of 1972) it became apparent that the judiciary would put upon school districts some new restrictions in the administration of pregnant personnel. However, it also became apparent that the judiciary would not, from the Constitution or extant legislation, find employer discrimination for carrying an employee disability insurance plan exempting pregnancy as a disability. The circumstance provided the political energy to secure passage of P.L. 95-555, entitled "Pregnancy Sex Discrimination, Prohibition."

The act provided 180 days (until April 29, 1979) during which employers could bring fringe benefit or insurance programs into conformity--or longer if a negotiated contract were in force until some later time. Substantially, the act stipulated:

The terms 'because of sex' or 'on the basis of sex' include, but are not limited to, because of or on the basis of pregnancy, childbirth, or related medical conditions; and women affected by pregnancy, childbirth, or related medical conditions shall be treated the same for all employment-related purposes, including receipt of benefits under fringe benefit programs, as other persons not so affected but similar in their ability or inability to work, and nothing in section 703(h) of this title shall be interpreted to permit otherwise...nothing herein shall preclude an employer from providing abortion benefits or otherwise affect bargaining agreements in regard to abortion.

With the need to attach costs to that legislation, a broad interpretation provided the base for the following cost projections, which are harmonious with the regulations.

Costs

With the inclusion of pregnancy in the fringe benefit categories of sick leave and disability--and it may not be exempted from fringe benefit programs--some new personnel costs will be generated. These costs, projected in this paper, are clearly based upon general observations. The projections are indicators only, and should not be accepted as precise. They are derived examples having their basis in the fact that the average cost of a baby's birth exceed \$1,400 in 1979. In addition, medical insurance costs must have been levelled, so that all participants accept the liability of child delivery costs.

While under consideration as H.R. 6075, "Legislation to Prohibit Sex Discrimination on the Basis of Sex," several people testified before the Subcommittee on Employment Opportunities. Chaired by Congressman Hawkins, speakers commented about the suitability and desirability of the statute. Some of these comments in June, 1977 related to costs, and can be seen in Table I as

Table I

Pregnancy as a Compensated Disability
in Selected Private Sector Negotiated Contracts (N=64)

	<u>Duration of Disability Payments, in weeks</u>			<u>Range of Weekly Benefits</u>			
	<u>13</u>	<u>26</u>	<u>other</u>	<u>less than \$70</u>	<u>\$70-130</u>	<u>Formula</u>	<u>Other</u>
Frequency	7	57	0	7	21	35	1

The most frequently occurring formula (N=57): 60% of weekly wages, but not to exceed \$95 per week.

those costs would affect the private employment sector with disability negotiated as one fringe benefit. Most of the witnesses before the committee who addressed costs were from industrial-commercial settings in which the work force was majority female. Preliminary underwriter quotations on disability insurance premiums from current carriers, accounting for the expansion of disability to include pregnancy, were increases in the range from 20 to 30 per cent, although one employer stated that early quotes were for a 50 per cent increase.

For example, one company had a negotiated contract calling for 26 weeks of disability, but with pregnancy limited to six weeks of disability. That company had 107 employees claim the six weeks of disability in 1976 at a total cost of \$24,761. To have extended the disability claims of that same group through 26 weeks for each would have totaled \$141,420. In the calculation is the presumption that all who had claimed for six weeks--107 females--would, with opportunity to do so, claim for 26 weeks. Eventually, experience may show that calculation to be seriously flawed, but the anticipation of substantially extended leaves and increased costs of disability claims is surely correct.

For public school districts, the condition of employment and the pertinent fringe benefits will very likely be different from those fringes negotiated into contracts. In many states, those fringe benefits may not be in contracts, but will be found in board policy, e.g., sick leave. Beyond sick leave, two other categories of fringe benefits will be affected: health and hospitalization, and disabilities. For most schools, both of the latter benefits have long been available, but typically, pregnancy has been excluded as a compensated disability. Moreover, pregnancy has generally been disallowed as a claim for sick leave. With hospitalization as a fringe benefit already provided, it is quite possible that districts will experience money claims for sick leave, hospitalization, and disability--all three--in a single pregnancy.

Some Future Effects

Speculation on costs are necessary for understanding the probable budgetary implications of fringe benefits for pregnancy. That speculation is not intended as a grim scenario, and such non-money costs as multiple short term requests for unpaid post natal leave from one mother are not calculated. For illustrative purposes, think of a fictional school district with about 5,000 students employing a staff of about 460 people. Of that full-time group, about 330 would be certificated and about 130 would be classified support personnel. In a school labor force, females predominate, even among the classified support personnel, and among the females, those of child bearing age predominate. Especially, this latter is true of certificated personnel. Past experience indicated that this school should expect about twelve to eighteen requests for leave due to pregnancy each year. Of that group, ten to fourteen should be expected from the certificated group, and two to four from the classified personnel.

Formerly ineligible for paid leave, and using unpaid maternity leave, new questions have arisen about how these pregnant employees will behave. What will these people do with a new statutory fringe benefit, i.e., sick leave available for maternity illness? Will pregnant teachers try for early claims on sick leave pay, or will they stay at work right up to delivery time? The EEOC Pregnancy Discrimination Guidelines stipulate that employers must treat pregnancy and childbirth in parallel to other temporary disabilities, including the full range of job protection rights. Abortions are not covered, except as they are performed to protect the life of the mother. Insurance, leaves, and rehiring are among the covered employment practices.

In this fictional school district, sick leave was allowed by board policy for periods not to exceed three days upon an employee's claim. Conventionally, valid claims of more than three days were accompanied by a physician's

verification. The sick leave policy did not provide for accrual, but neither did it have a limit--except that after sixty calendar days the district's disability insurance superseded it. The district operated for 190 days, and paid sick leave by dividing annual salary by 190 to get a per day cost for each person (180 for classified people).

Considering a typical year, thirteen female employees became pregnant. With no specified date to take maternity leave, the teachers tried to extend the time on the job, being unwilling to take leave, and seek sick leave until that need was announced to them by their physician. Of the thirteen, two went on extended unpaid maternity leave with no definite plans for return, and the two classified workers claimed an average of one month each sick leave. At the time, their salaries were \$9,000 each. The nine remaining certificated persons claimed an average of six weeks sick leave from salaries which averaged \$14,000. Those calculated costs follow.

Table II
Exemplary Personnel Costs

<u>Classified Personnel</u>	<u>Certificated Personnel</u>
$180/9000 = \$50$	$190/14000 = \$74$
$20 \text{ days} \times \$50 = \$1,000$	$30 \text{ days} \times \$74 = \$2,220$
$\$1,000 \times 2 \text{ people} = \$2,000$	$\$2,220 \times 9 \text{ people} = \$19,980$

The new sick leave claims for pregnancy totaled \$21,980.

Other costs increased. Not in the calculations above were the claims for the one to three days of maternity sick leave absences which, during the year, amounted to \$3,950 as fifty-five days were claimed. In a sense, it is true that none of those calculated costs were paid as over and above costs from the operational budget. It is true, too, that the real out-of-pocket costs for substitutes was much less, a total of \$10,310. But, literally, all three costs

were actually paid in order to satisfy obligations of statute, policy and contract--and to keep the instructional effort of the school in operation.

The disability insurance premium increased by about 20 per cent, going from \$37.00 per \$14,000 employee to \$44.00. For the 330 certificated and the 130 classified personnel, the new annual premium was \$18,420, including the new pregnancy disability costs of \$3,700. All new costs for this fictional school district annualized at about \$40,000. Sizing that cost in a different way, with an operational budget of nearly \$9,000,000, this was an item cost impact of about .42 per cent.

Another, already existing cost must be mentioned. The school had supplied a health and hospitalization plan for several years, and maternity costs were among those covered--for most. That fringe benefit had a cost, too. For informational purposes, and not with intent to necessarily alter fringe coverage, the district had asked for health and hospitalization bids with and without maternity. The carriers indicated that maternity coverage cost about \$9.25 per policy per month. After allowing for several employees who had coverage through spouses employed in other work settings, the district discovered that it provided coverage for 380 family units and females. That already existing fringe benefit, which predated P. L. 95-555, carried a price tag which the district had been paying of about \$42,000. This existing cost was about .44 per cent of the operational budget total. The old cost, with the new, totaled almost one percent of the operational budget as the amount necessary to carry all pregnancy related costs for this fictional but not atypical public school. Never a strongly negotiated item but now a legislated one, local boards must consider the relationships between new costs and productivity as budgets are built and total fringe benefit packages negotiated.